

**NORTH CAROLINA DIVISION OF
AIR QUALITY**

Air Permit Review

Permit Issue Date:

Region: Raleigh Regional Office
County: Chatham
NC Facility ID: 1900039
Inspector's Name: Steven Carr
Date of Last Inspection: 01/28/2016
Compliance Code: W / Violation - procedures

Facility Data Applicant (Facility's Name): Moncure Plywood Facility Address: Moncure Plywood 306 Corinth Road Moncure, NC 27559 SIC: 2436 / Softwood Veneer And Plywood NAICS: 321212 / Softwood Veneer and Plywood Manufacturing Facility Classification: Before: Title V After: Title V Fee Classification: Before: Title V After: Title V			Permit Applicability (this application only) SIP: 15A NCAC 2Q .0517 NSPS: N/A NESHAP: N/A PSD: N/A PSD Avoidance: N/A NC Toxics: N/A 112(r): N/A Other: N/A				
Contact Data			Application Data				
Facility Contact Brian Van Gelder Project Manager/Environmental (919) 542-2311 306 Corinth Road Moncure, NC 27559	Authorized Contact Bill Kopp Plant Manager (919) 542-2311 306 Corinth Road Moncure, NC 27559	Technical Contact Brian Van Gelder Project Manager/Environmental (919) 542-2311 306 Corinth Road Moncure, NC 27559	Application Number: 1900039.16A Date Received: 2/02/2016 Application Type: Modification Application Schedule: TV-Reopen for Cause Existing Permit Data Existing Permit Number: 03424/T24 Existing Permit Issue Date: 01/21/2015 Existing Permit Expiration Date: 12/31/2019				
Total Actual emissions in TONS/YEAR:							
CY	SO2	NOX	VOC	CO	PM10	Total HAP	Largest HAP
2014	0.7600	48.06	71.40	30.06	59.85	15.21	8.32 [Methanol (methyl alcohol)]
2013	0.7000	44.14	63.30	29.28	66.40	10.84	4.23 [Methanol (methyl alcohol)]
2012	3.55	38.94	51.77	27.29	57.64	13.35	5.98 [Methanol (methyl alcohol)]
2011	3.74	41.08	43.05	25.78	49.01	14.36	4.89 [Methanol (methyl alcohol)]
2010	3.06	33.44	35.11	23.28	57.79	11.43	2.99 [Methanol (methyl alcohol)]
Review Engineer: Richard Simpson Review Engineer's Signature:				Comments / Recommendations: Issue: 03424/T25 Permit Issue Date: May 1 ##, 2016 Permit Expiration Date: December 31, 2019			

1. Purpose of Application

Moncure Plywood currently holds a Title V Permit No. 03424T24 with an expiration date of December 31, 2019 for a plywood manufacturing facility located in Moncure, Chatham County, North Carolina. The primary purpose of this application is for a reopen for cause. The reopen for cause request letter was dated December 1, 2015 for three items. Item one was to update an emission factor in an equation within the permit that was produced from a December 10, 2014 emission test. Item two requested the facility to provide multicyclone pressure drop ranges for compliance assurance monitoring. The third item was to change reporting language from 12-month rolling average to 12-month rolling total. The existing permit shall not expire until this permit has been issued or denied. All terms and conditions of the existing permit shall remain in effect until this permit has been issued or denied.

2. Facility Description

This facility located in Moncure, Chatham County, North Carolina, manufactures plywood from primarily hardwood (poplar) veneer and pine veneer. The plywood ranges from 3 to 9 plies, and from $1^{11}/_{32}$ inches to $1^{1}/_{4}$ inches thick. The facility receives trees, cuts them to required length, and debarks the wood. The bark is hammer milled, transferred to silos, and used as wood fuel along with wood chips from various processing. Some wood chips are further processed for sale to other wood products facilities. The plywood is then sawed to specifications and stacked for sale. Most of the plywood is used to construct upholstered furniture. The actual production of the plywood typically occurs six days/week. Presently, there are 115 employees at the facility.

3. History/Background/Application Chronology

January 21, 2015 – TV permit Air Permit No. **03424T24** was issued for Title V renewal with an expiration date of December 31, 2019.

December 10, 2014 – The facility stack tested the hot presses.

September 30, 2015 - A 502(b)(10) determination was sent for changing the fan on the wood burner. Since the heat capacity did not change, a permit modification was not needed.

October 30, 2015 – A memo was sent from DAQ Stationary Source Compliance Branch to the Raleigh Regional Office accepting the test results.

November 5, 2015 – The Raleigh Regional Office sent a letter to Moncure Plywood requesting the facility to use the updated emission factor from the most recent test results in its permit.

December 1, 2015 – The Permitting Section sent a reopen for cause letter to the facility to reopen the Moncure Plywood Title V permit for three main items and requested additional information.

January 27, 2016 – Moncure Plywood sent a letter to the Permitting Section responding to the reopen for cause letter. This letter was received by the DAQ on February 2, 2016.

February 25, 2016 – Facility representatives, the Raleigh Regional Office, and the Stationary Source Compliance Section were requested by the Permits Section to comment on the proposed permit.

March 7-21, 2016 – Comments and additional information was received from the facility representative and the Stationary Source Compliance Section concerning CAM.

March XX, 2016 – DRAFT permit sent to public notice and EPA for review prior to issuance. The 30-day public comment period ended **April XX, 2016** with the receipt of no comments. The 45-day EPA review period ended **May XX, 2016** with the receipt of no comments.

4. Permit Modifications/Changes and TVEE Discussion

The following table lists all modifications associated with this permit action:

Page(s)	Section	Description of Change(s)
Cover and throughout	Throughout	Updated all tables, dates, and permit revision numbers.
Throughout	Throughout	Corrected the regulatory reference from 2D and 2Q to 02D and 02Q.
2	Section 1	Deleted language no longer associated with the current permit shell.
3-4	Section 1	Updated page numbers.
8-9	Section 2.1.A.5.c.	Updated the Indicator No. 1 requirements in the CAM table. This permit was “reopened for cause” to list the differential pressure drop range of multicyclone CD02. The QIP threshold and monitoring frequency was also updated.
9	Section 2.1.A.5.d. and e.	The CAM recordkeeping and reporting requirements were updated to the most current version.
9	Section 2.1.A.5.f.	Since a differential pressure drop range was established, the permit condition no longer applies and was deleted.
13-14	Section 2.1.B.3.d. and e.	The CAM recordkeeping and reporting requirements were updated to the most current version
17	Section 2.2.A.1.b.	Revised the methanol emission factor (0.00011 lb/SF) based on most recent 12/10/2014 emission testing.
18	Section 2.2.A.1.c.i.B.	Changed the language from “...12-month rolling average.” to “...12-month rolling total.”
22	General Conditions	Updated to latest version of DAQ shell version 4.0 12/17/15.

There were no changes made to the Title V Equipment Editor (TVEE) under this permit renewal.

5. Regulatory Review

The facility is currently subject to the following regulations. The permit will be updated to reflect the most current stipulations for all applicable regulations.

- 15A NCAC 2D .0515: Particulates from Miscellaneous Industrial Processes
- 15A NCAC 2D .0512: Particulates from Miscellaneous Wood Products Finishing Plants
- 15A NCAC 2D .0516: Sulfur Dioxide from Combustion Sources
- 15A NCAC 2D .0521: Control of Visible Emissions
- 15A NCAC 2D .0524: New Source Performance Standards – (40 CFR 60 Subpart IIII)
- 15A NCAC 2D .0614: Compliance Assurance Monitoring (CAM)
- 15A NCAC 2D .0958: Work Practices for Sources of Volatile Organic Compounds (VOCs)
- 15A NCAC 2D .1100: Control of Toxic Air Pollutants (TAPs)
- 15A NCAC 2D .1111: Maximum Achievable Control Technology – (40 CFR 63 Subpart ZZZZ)
- 15A NCAC 2D .1806: Control and Prohibition of Odorous Emissions

- 15A NCAC 2Q .0711: Emission Rates Requiring a Permit
- 15A NCAC 2Q .0317: Avoidance Conditions
(Avoidance limits under 15A NCAC 2D .1111: Major for Hazardous Air Pollutants)

An extensive review for each applicable regulation is not included in this document, as the facility's status with respect to these regulations has not changed. For a discussion of MACT, CAM, and PSD requirements, see Section 6. The permit will be updated to reflect the most current stipulations for all applicable regulations.

6. NSPS, NESHAPS/MACT, NSR/PSD, 112(r), CAM

NSPS

The facility is subject to NSPS as discussed below.

40 CFR Part 60, Subpart Dc

Wood boiler (ID No. ES01-B) is subject to NSPS for Small Industrial, Commercial, Institutional Steam Generating Units, Subpart Dc, because the boiler commenced construction after June 9, 1989 and has a maximum design heat input capacity of less than 100 million Btu per hour but greater than or equal to 10 million Btu per hour. As required by NSPS Subpart Dc and incorporated into the permit, the facility is required to record the amounts of wood fuel fired in the source during each month. No regulatory changes to the permit are required under this permit renewal.

40 CFR Part 60, Subpart IIII

The diesel-fired fire pump emergency engine (ID No. IES-23) is subject to the notification, testing, recordkeeping, and reporting requirements of NSPS for Stationary Compression Ignition Internal Combustion Engines, 40 CFR 60, Subpart IIII. The existing diesel-fired water pump (ID No. IES-19) was installed before July 11, 2005 and therefore not subject to the requirements of 40 CFR Part 60, Subpart IIII.

NESHAPS/MACT

40 CFR Part 63 Subpart ZZZZ

The diesel-fired water pump (ID No. IES-19) and the fire pump emergency engine (ID No. IES-23) were constructed after June 10, 2006 and are considered new sources under MACT Subpart ZZZZ. As specified in 40 CFR 63.6590(c), the facility must meet the requirements of MACT Subpart ZZZZ by meeting the requirements of NSPS Subpart IIII for these engines where required. No further requirements under MACT Subpart ZZZZ apply.

Both the diesel-fired water pump (ID No. IES-19) and the fire pump emergency engine (ID No. IES-23) have the potential to emit less than five tons per year (tpy) of criteria pollutants. The pumps are exempt from permitting per 2Q .0503(8), and they are currently in the insignificant activities list. Even though engine pumps IES-19 and IES-23 are subject to a MACT, they can remain on the insignificant activities list in accordance with 15A NCAC 2Q .0503(8). However, the facility still must meet the requirements of the Area Source MACT Subpart ZZZZ for these generators.

PSD

The facility is classified as a PSD minor source because emissions of VOCs and PM₁₀ are limited in the permit to less than 250 ton per year each. The facility will continue being a minor PSD source as long as it stays a minor source for criteria pollutants.

112(r)

The facility is not subject to Section 112(r) of the Clean Air Act requirements because it does not store any of the regulated substances in quantities above the thresholds in the Rule. This permit renewal does not affect this status.

CAM

40 CFR Part 64 is applicable to any pollutant-specific emission unit, if the following three conditions are met:

- the unit is subject to any (non-exempt: e.g. pre November 15, 1990, Section 111 or Section 112 standard) emission limitation or standard for the applicable regulated pollutant.
- the unit uses any control device to achieve compliance with any such emission limitation or standard.
- the unit's precontrol potential emission rate exceeds either 100 tpy (for criteria pollutants) or 10/25 tpy (for HAPs).

Control devices that are subject to CAM include the multicyclone (ID No. CD02), cyclones (ID Nos. CD-03-WWTC and CD18), bagfilters (ID Nos. CD05 and CD06), and cartridge filter (ID No. CD21). There were changes to the CAM conditions under this permit renewal. See Table of Changes above.

7. Facility Wide Air Toxics Pollutants (State Enforceable Only)

Per 15A NCAC 2D .1100 for Control of TAPs, the facility has demonstrated a large margin of compliance with a modeling demonstration submitted on March 18, 2009. The TAPs emissions shall not exceed rates which cause acceptable ambient levels to be exceeded per 15A NCAC 2D .1100 and 15A NCAC 2Q .0711. Therefore, no monitoring, recordkeeping or reporting is required for this regulation. This permit renewal does not affect this status of these permit conditions.

8. Facility Emissions Review

There is no change in Title V potential emissions for this Reopen for Cause. Actual emissions from previous years are listed on Page 1.

9. Compliance Status

On August 10, 2015, a Notice of Violation was issued for late stack testing. Pursuant to 15A NCAC 02D .0515 and 40 CFR 64.4(e), Air Permit No. 03424T24 Stipulations 2.1.A.1.c. and 2.1.A.5.f. require the subject facility to test the fluidized bed wood burner (ID No. ES01-A) and the associated dryers (ID Nos. ES09 and ES10) for particulate emissions. The facility submitted a testing protocol and the proposed testing methods were accepted by the Stationary Source Compliance Branch in an October 20, 2015 letter.

During the most recent inspection, conducted on November 20, 2014 and the January 14, 2015 by Steven Carr of the RRO, the facility appeared to be in compliance with all applicable requirement of their Title V permit.

10. Public Notice/EPA and Affected State(s) Review

A concurrent public notice period of 30 days and an EPA review period of 45 days are required for the issuance of this significant modification of the title V permit. A notice of the DRAFT Title V Permit shall be made pursuant to 15A NCAC 2Q .0521. The notice will provide for a 30-day comment period, with an opportunity for a public hearing. Copies of the public notice shall be sent to

persons on the Title V mailing list and EPA. Pursuant to 15A NCAC 2Q .0522, a copy of each permit application, each proposed permit and each final permit pursuant shall be provided to the EPA. Also pursuant to 2Q .0522, a notice of the DRAFT Title V Permit shall be provided to each affected State at or before the time notice provided to the public under 2Q .0521 above.

EPA's 45 Day Review period

Ms. Heather Ceron (U.S. EPA, Region IV) was provided a PROPOSED permit for review on March XX, 2016. EPA 45 day review period ended on May XX, 2016. No comments were offered or received.

Public Notice

The 30-day public notice of the proposed permit was posted on the NCDAQ website on March XX, 2016. No comments were offered or received.

11. Other Regulatory Considerations

- A P.E. seal is NOT required for this application.
- A zoning consistency determination is NOT required for this renewal.

12. Recommendations

The permit renewal application for Moncure Plywood in Moncure, Chatham County, North Carolina has been reviewed by DAQ to determine compliance with all procedures and requirements. DAQ has determined that this facility is complying or will achieve compliance, as specified in the permit, with all requirements that are applicable to the affected sources. The DAQ recommends the issuance of Air Permit No. 03424T25.